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Hand Delivered

Mary L. Cottrell, Secretary Department of Telecommunications and Energy One South Station, 2nd Floor Boston, Massachusetts 02110

Re: D.T.E. 00-83

Cambridge Electric Light Company and Commonwealth Electric Company 2000 Reconciliation Filing

Dear Secretary Cottrell:

In accordance with the requirements of G.L. C. 164, § 1A(a), 220 C.M.R. 11.03(4)(e), and the Restructuring Plan approved by the Department of Telecommunications and Energy (the "Department") in <u>Cambridge Electric Light Company/Commonwealth Electric Company</u>, D.P.U./D.T.E. 97-111 (1998), Cambridge Electric Light Company ("Cambridge") and Commonwealth Electric Company ("Commonwealth") (together, the "Companies") hereby submit an original and nine (9) copies of their 2000 Reconciliation Filing. Included with this filing is a reconciliation of 1999 Transition, Transmission, Standard Offer and Default Service costs and revenues along with proposed updated charges and tariffs to be effective January 1, 2001.

The primary changes in rates included with this filing are as follows. The Transition Charge for Cambridge for 2001 of 1.445 cents per kilowatt-hour ("kWh") compared to the rate of 0.294 cents per kWh in effect for 2000. The Transition Charge for Commonwealth for 2001 of 3.039 cents per kWh compared to the rate of 2.856 cents per kWh in effect for 2000. The proposed Transmission Charge for 2001 increases to an average rate of 1.442 cents per kWh for Cambridge, and to 0.726 cents per kWh for Commonwealth. The Standard Offer Charge for both Companies is 3.8 cents per kWh, as previously approved by the Department. Finally, the statutory rates for Energy Efficiency of 0.270 cents per kWh and Renewables of 0.100 cents per kWh are also implemented for both Companies. In addition to these rate changes, Cambridge has

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revised its Supplemental Service tariff (Rate SS-1) to clarify the availability of supplier services including Standard Offer and Default Service, and the applicability of rate adjustments including Transition Cost Adjustment, Transmission Service Cost Adjustment, Energy Efficiency Charge, Renewable Energy Charge, and Default Service Adjustment.

This filing substantially follows the methodology set forth in the Restructuring Plan and as filed in the Companies' previous annual true-up filing in D.T.E. 99-90. As described in the accompanying testimony there are, however, several changes or enhancements that should be noted.

With respect to the Transition Charge, the Companies have proposed to refine the method of reconciling Transition Charge revenues to a method based upon actual revenues received rather than upon kWh sales times an average rate. The Companies also have provided updated sales forecasts and market or transfer price projections for use in establishing the Transition Charge for 2001 (and projecting the Transition Charge for future years). These updates more accurately portray projected Transition Charge revenues and projected transition costs.

With respect to Standard Offer and Default Service, there are several changes from last year's filing that should be noted. Pursuant to the Department's Orders in Docket D.T.E. 99-60, it is expected that Default Service will henceforth be the subject of separate filings addressing necessary tariff changes and periodic adjustments to the Default Service rates based upon market prices. For Standard Offer Service, this filing will continue to implement the Standard Offer Service charges set forth in the Restructuring Plan. However, this filing does not address the Standard Offer Fuel Index, which is now being addressed, and in the future will be addressed, in separate proceedings. See Boston Edison Company, et al., D.T.E. 00-70. Finally, this filing continues to provide updates and reconciliations, as appropriate, of other charges including the Transmission Charge and the charges for Energy Efficiency and Renewables.

Consistent with the timing set forth in the Restructuring Plan, this filing includes final reconciliations based upon actual data for 1999 and includes part-actual/part-forecast data for 2000. The Companies propose to update this filing in the spring of 2001, to provide year-end data and to allow a final reconciliation for 2000. Thus, the Companies propose that this proceeding address final reconciliations for both 1999 and 2000. Future years' filings would then employ the same timing of annual filings in November followed by an update the following spring, so that the reconciliation could be finalized for the most recent, completed calendar year.

In accordance with the Restructuring Plan and applicable provisions of the Electric Restructuring Act, Cambridge and Commonwealth hereby request approval of the following tariffs, effective January 1, 2001:

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Cambridge Electric Light Company

Commonwealth Electric Company

M.D.T.E.	Rate Schedule	M.D.T.E.	Rate Schedule
No.		No.	
733	Residential Rate R-1	472	Residential Rate R-1
734	Residential Assistance Rate R-2	473	Residential Assistance Rate R-2
735	Residential Space Heating Rate R-3	474	Residential Space Heating Rate R-3
736	Residential Assistance Space Heating Rate R-4	475	Residential Assistance Space Heating Rate R-4
737	Optional Residential Time-of- Use Rate R-5	476	Controlled Water Heating (Closed) Rate R-5
738	Optional Residential Space Heating Time-of-Use Rate R-6	477	Optional Residential Time-of-Use Rate R-6
739	General Service Rate G-0 (Non-Demand)	478	General Service Rate G-1
740	General Service Rate G-1	479	Medium General Time-of-Use Rate G-2
741	General Time-of-Use/Secondary Service Rate G-2	480	Large General Time-of-Use Rate G-3
742	General Time-of-Use/13.8 kV Service Rate G-3	481	General Power Rate G-4 (Closed)
743	Optional General Time-of-Use Rate G-4	482	Commercial Space Heating (Closed) Rate G-5
744	Commercial Space Heating (Closed) Rate G-5	483	All Electric School Rate G-6 (Closed)
745	Optional General Time-of-Use Rate G-6 (Non-Demand)	484	Optional Time-of-Use Rate G-7
746	Outdoor Lighting Rate S-1	485	Outdoor Lighting Rate S-1
747	Standby Service/13.8 kV Rate SB-1	486	Street Lighting-Customer Owned Rate S-2
748	Maintenance Service/13.8 kV Rate MS-1		
749	Supplemental Service/13.8 kV Rate SS-1		

In support of the Companies' Transition Charge Reconciliation Filing, and the accompanying proposed tariff changes, Cambridge and Commonwealth have enclosed the prefiled testimony and exhibits of Bryant K. Robinson, Henry C. LaMontagne, Rose Ann Pelletier and Robert H. Martin. Mr. Robinson's testimony provides a description of the methodology used by Companies to reconcile the forecast of Transition Charge revenues and transition costs. Mr. LaMontagne's testimony describes the proposed rate changes, how the reconciled Transition Charges will be implemented and what their impact will be on customers' bills. Mr. LaMontagne also provides an exhibit showing the proposed tariff changes in redlined format showing changes from current tariffs. Ms. Pelletier's testimony addresses the reconciliation of Standard Offer and Default Service costs and revenues. Mr. Martin's testimony describes the Companies' procurement of supplies for Standard Offer and Default Service and efforts to mitigate their transition costs to the maximum extent possible, consistent with the Act and the Restructuring Plan.

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Any correspondence with regard to this filing should be directed to the following:

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Thank you for your attention to this matter.

Sincerely,

John Cope-Flanagan

Enclosures

cc: Caroline O'Brien, Hearing Officer, D.T.E. 99-90

Paul Afonso, General Counsel Service List, D.T.E. 99-90